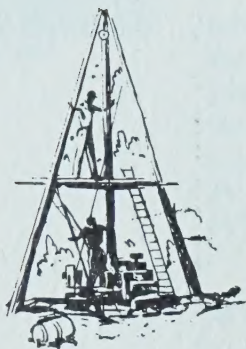


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*Annual
Report
to the
Shareholders*

For the year ending Dec. 31
1965

file

GREEN POINT MINES

LIMITED

Now engaged in exploration activity
on two properties at Pine Point, N.W.T.

LISTED:

THE TORONTO STOCK EXCHANGE
THE CANADIAN STOCK EXCHANGE

GREEN POINT MINES LIMITED

CAPITALIZATION

Authorized: 4,000,000 shares \$1.00 par value
Issued: 1,489,002 (at March 22nd 1966)

OFFICERS AND DIRECTORS

[illegible]

REGISTRAR AND TRANSFER AGENT

THE CANADA TRUST COMPANY
33 Adelaide St. W.
Toronto, Ontario

HEAD OFFICE

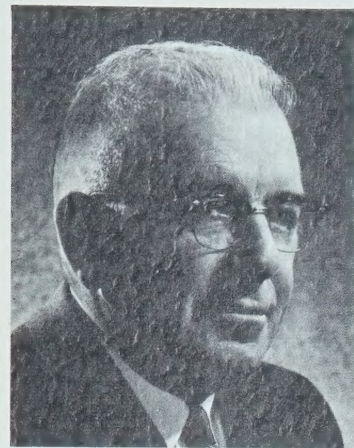
Suite 1024, 85 Richmond St. W.
Toronto, Ontario

CONSULTING GEOLOGIST

W. A. CARTER, P.ENG.

LISTED

TORONTO STOCK EXCHANGE
CANADIAN STOCK EXCHANGE



C. W. WALKER

TO THE SHAREHOLDERS:

Since our Interim Progress Report to you last December, field exploration activity has been concentrated exclusively on our two well-located properties in the Pine Point area of the Northwest Territories. On one of the two, the R.M. group of 12 claims situated about six miles west of the southwest extremity of Pine Point Mines Limited, we have arrived at the stage where diamond drilling is now the next order of business. Geophysical work is presently under way on the second, or L.C. group of 15 claims on the east side of the Buffalo River, south of Pine Point Mines and southwest of Pyramid Mining Company.

The result of the Induced Polarization survey conducted for your Company by Hunttec Limited on the R.M. group points to a very interesting anomaly. In a report to your Company March 15, Hunttec's A. R. Dodds, geophysicist, forwarded copies of the maps together with detail profiles over the anomaly located in the southeast corner of the survey area. He reports as follows:

"The body causing this anomaly is expected to be approximately 400 feet wide and 1,000 feet strike length. As can be seen, the strike of this body coincides with the general strike of the Presqu'île reef structure. Calculations taken from the detail profiles indicate that the depth to the centre of the body is about 325 feet placing it within the Presqu'île formation; the top of this formation is known to be about 250 feet below surface in this area and some 200 feet thick. The causative body could have a thickness of up to 300 feet." It was recommended that this anomaly be drilled vertically to a depth of 500 feet.

In an earlier report, your Company's Consulting Geologist, W. A. Carter, P.Eng., noted that the Presqu'île formation is the one in which the ore bodies at Pine Point Mines occur. The one on the Green Point ground is similar in size to many of those which have produced ore at the Pine Point Mines property, Mr. Carter reports. He added that detail work has been carried out at close intervals and the results obtained in the reconnaissance survey have been well confirmed. Mr. Carter has arranged for a diamond drilling crew and equipment and the first hole is expected to begin very soon — and indeed, may already have been started by the time you receive this.

On the basis of the Hunttec and Carter reports, it would seem that your Company has a very favorable target for the drilling program. The Induced Polarization method of exploration is being widely used throughout the Pine Point camp and is regarded as a more accurate measure under the circumstances found there than the usual electromagnetic survey and, according to a recent article in The Northern Miner (March 3) has greater depth of detection, is useful in detecting disseminated mineralization, and eliminates such conductors as shears, faults and overburden which may cause EM anomalies.

(continued)

To the Shareholders continued

Stimulated by the great success of Pine Point Mines in its first year of production (in which it reported net earnings of \$22,100,000), and by the discovery by Pyramid Mining Company on the adjoining property to the south (where about 10 million tons of lead-zinc ore are now indicated by drilling), exploration activity throughout the Pine Point area is building up both extensively as well as intensively. A recent review in The Financial Post listed almost two score companies in various stages of work on properties over a wide area. We would anticipate that activity will increase during the Spring and Summer seasons, although a great deal has been accomplished during the past winter.

OTHER PROPERTIES

Of your Company's several other properties, all in Eastern Canada, the 173-acre concession in Rouyn Twp. bordering on the Town of Noranda, is regarded with renewed interest as a result of the findings in drilling on the property of D'Eldona Gold Mines a few miles to the northeast. At last report, drilling on the D'Eldona property, now under option to Falconbridge Nickel Mines, was still under way and we are watching this development with considerable interest.

Other properties which we continue to hold in good standing include a 20-claim group in Joutel Twp., where Equity Explorations has announced plans to go underground to further explore its gold-copper discovery and where Joutel Copper Mines is now being prepared for production; an option to purchase 10 claims in Isle Dieu Twp., in the Matagami region of Quebec, in which township Radiore Uranium is also planning to sink a shaft on its drill-indicated zinc-copper discovery at depth; and a 25-claim group in Wilhelmina and Geary Twps., in the Timmins area of Ontario on which some diamond drilling was done with inconclusive results.

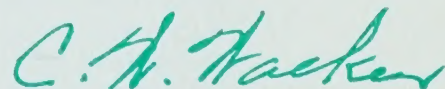
FINANCIAL POSITION

Although it is not reflected in the Balance Sheet for the year ending Dec. 31, 1965, as reported in the following pages, your Company has received new financing during the current year. The Notes to the Balance Sheet show that a total of \$123,750 was received at the beginning of the year through the sale of 165,000 shares. Your Company is thus in a good financial position to carry out our objectives on our Pine Point properties.

The Annual Meeting of shareholders will be held in Toronto on Tuesday, April 26th, 1966 at the time and place noted on the accompanying Notice of Meeting. If it is not possible for you to attend this meeting, we ask that you sign and return the enclosed proxy form for the exercise of your vote. An addressed envelope is enclosed for your convenience in returning the proxy form to the Trust Company.

As the work on the Pine Point properties advances, further progress reports will be made to shareholders. We believe we have reason to be impressed by the geophysical results of the survey on the R.M. group and we are looking forward to the forthcoming diamond drilling program there with keen anticipation.

On behalf of the Board of Directors,



C. W. WALKER,
President.

March 22nd, 1966.

GREEN POINT MINES LIMITED

Statement of Deferred Expenditures

Year ended December 31, 1965

Deferred expenditures at beginning of year						\$233,982.92
	Rouyn Township Quebec	Geary and Wilhelmina Townships Ontario	Joutel Township Quebec	Pine Point Area Northwest Territories	Isle Dieu Township Quebec	
Exploration and development						
Consulting fees and expenses		2,567.54	600.00	1,300.00		
Diamond drilling	250.60	6,412.14				
Government licenses		10.75	40.00	102.20	20.00	
Magnetometer and electromagnetic surveys			4,740.00	3,000.00	3,250.00	
Municipal taxes	17.30					
Travel and transportation		123.72				
	<u>\$ 267.90</u>	<u>\$9,114.15</u>	<u>\$5,380.00</u>	<u>\$4,402.20</u>	<u>\$3,270.00</u>	22,434.25
Administration and general						
Audit					935.00	
Directors' fees					775.00	
Government fees, licenses and taxes					90.00	
Head office services					3,550.00	
Legal					3,502.16	
Listing fees and expenses					2,509.50	
Publicity and shareholders' information					4,425.85	
Transfer agent's fees and expenses					1,453.46	
Travelling expenses					381.00	
Miscellaneous					103.68	
					17,725.65	
Deduct Interest earned					<u>862.04</u>	<u>16,863.61</u>
Deferred expenditures at end of year						<u>\$273,280.78</u>

Statement of Source and Application of Funds

Year ended December 31, 1965

Funds applied:			
Mining claims and options	44,187.50		
Less Value of shares issued for mining claims	<u>17,187.50</u>	27,000.00	
Deferred expenditures:			
Exploration and development	22,434.25		
Administration and general	<u>16,863.61</u>	39,297.86	
Reorganization expenses		<u>1,508.84</u>	67,806.70
Funds made available:			
Issue of shares for cash			<u>50,004.00</u>
Impairment of working capital position			<u>17,802.70</u>
Working capital at beginning of year			<u>13,279.59</u>
Working capital deficiency at end of year			<u>\$ 4,523.11</u>
Current assets			4,450.76
Current liabilities			<u>8,973.87</u>
			<u>\$ 4,523.11</u>

GREEN POINT

(FORMERLY CHESBROUGH)

Incorporated under the laws of the State of Ontario

BALANCE SHEET -

ASSETS

Current Assets:

Cash	3,450.76	
Prepaid expense	<u>1,000.00</u>	4,450.76
Investment in shares of another mining company at nominal value (no market value)		1.00
Mining claims, rights and options (note 2)		148,287.50
Oil participations, at cost		3,278.13
Deferred expenditures		273,280.78
Reorganization expense		1,508.84

Approved on behalf of the Board,

"H. L. MONDROW," Director.

"S. TAYLOR," Director.

\$430,807.01

The accompanying notes are a part of this financial statement.

AUDITOR'S REPORT

To the Shareholders of
Green Point Mines Limited:

We have examined the balance sheet of Green Point Mines Limited (formerly Chesbrough Mines Limited) as at December 31, 1965, and the related statement of financial position as at that date. Our examination included a general review of the supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and related statement of financial position as at December 31, 1965 and the results of its operations for the year ended on that date, in accordance with the accounting principles that of the preceding year.

Our examination also included the accompanying statement of source and application of funds for the year ended on that date, in accordance with the accounting principles that of the preceding year.

Toronto, Canada,
January 28, 1966.

e laws of Ontario

LIABILITIES

Accounts payable and accrued liabilities

8,973.87

Authorized, 4,000,000 shares, par value \$1.00 per share	
Issued, 1,324,002 shares	1,324,002.00

Deduct Discount thereon	1,185,862.50	138,139.50
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Contributed surplus arising on reorganization (note 3)	552,558.00
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Deficit	268,864.36	283,693.64	421,833.14
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\$430,807.01

THORNE, MULHOLLAND, HOWSON & McPHERSON,
Chartered Accountants.

GREEN POINT MINES LIMITED

Notes to Financial Statement

Year ended December 31, 1965

1. Supplementary Letters Patent:

Supplementary Letters Patent were issued December 10, 1965 authorizing:

- The change of the company's name from Cheskirk Mines Limited to Green Point Mines Limited.
- The decrease of the company's authorized capital from \$7,500,000.00 to \$2,203,992.00 by cancelling pro-rata 5,296,008 issued shares of par value of \$1.00 each.
- The increase of the company's authorized capital from \$2,203,992.00 to \$4,000,000.00 by creating an additional 1,796,008 shares of par value \$1.00 each, to rank on a parity with the existing shares of the company.

2. Mining claims, rights and options:

Mining rights in Rouyn Township, Quebec, held under mining concession acquired for 200,000 shares of the company's capital stock (as reorganized) valued at \$60,000.00 less proceeds from disposals	59,100.00
25 Unpatented mining claims in Geary and Wilhelmina Townships, Ontario, acquired for 60,000 shares of the company's capital stock (as reorganized) valued at \$30,000.00 and \$15,000.00 cash	45,000.00
20 Unpatented mining claims in Joutel Township, Quebec, acquired for 50,000 shares of the company's capital stock (as reorganized) valued at \$17,187.50 and \$15,000.00 cash	32,187.50
Option to acquire 27 mining claims in the Pine Point Area, Northwest Territories, acquired for cash	10,000.00
Option to acquire 10 claims in Isle Dieu Township, Mattagami Area, Quebec, acquired for cash	2,000.00
	<u>\$148,287.50</u>

PINE POINT OPTION

By agreement dated November 3, 1965 the company has acquired an option to purchase 27 mining claims in the Pine Point Area, Northwest Territories, for \$10,000.00 cash.

To fully exercise the option the company must pay to the optionor an additional \$17,000.00 as follows:

- \$9,000.00 by February 16, 1966,
- \$8,000.00 by April 3, 1966

and allot and issue to the optionor 150,000 fully paid shares of the company, as reorganized.

MATTAGAMI OPTION

By agreement dated August 9, 1965 the company has obtained an option to acquire 10 mining claims in Mattagami Area, Quebec, for \$2,000.00 and has expended the minimum of \$2,500.00 in exploration thereof required during the first year of the option. The option may be fully exercised during the first year, or extended for a further period of one year, providing the company has expended at least \$10,000.00 in exploration of the said claims during that year. In the event of an extension, the option may be exercised during the second year providing a total of \$20,000.00 in exploration work has been incurred thereon.

To fully exercise the option the company must (a) cause the mining claims to be transferred to a company to be incorporated in consideration for 750,000 fully paid shares thereof of which 350,000 shares shall be transferred to the optionor and (b) underwrite 200,000 shares of the new company at 20¢ per share. Green Point is to receive 1 fully paid share of the new company for every 20¢ expended on the mining claims.

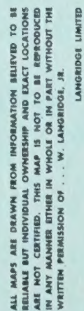
3. Capital stock:

Issued	No. of shares and par value	Discount	Net
Balance at beginning of year:			
For cash	3,770,006	3,366,500.00	403,506.00
For mining claims in good standing	1,300,000	1,210,000.00	90,000.00
For mining claims subsequently abandoned	400,000	340,000.00	60,000.00
For services	500,000	430,000.00	70,000.00
	<u>5,970,006</u>	<u>5,346,500.00</u>	<u>623,506.00</u>
Issued during year prior to reorganization:			
For cash	400,004	350,000.00	50,004.00
For mining claims	250,000	232,812.50	17,187.50
	<u>650,004</u>	<u>582,812.50</u>	<u>67,191.50</u>
Balance prior to reorganization	6,620,010	5,929,312.50	690,697.50
Cancelled by Supplementary Letters Patent	5,296,008	4,743,450.00	552,558.00
Balance at end of year:			
For cash	834,002	743,300.00	90,702.00
For mining claims in good standing	310,000	288,562.50	21,437.50
For mining claims subsequently abandoned	80,000	68,000.00	12,000.00
For services	100,000	86,000.00	14,000.00
	<u>1,324,002</u>	<u>\$ 1,185,862.50</u>	<u>\$138,139.50</u>

UNDERWRITING AND OPTION AGREEMENT

By agreement dated November 1, 1965, the company undertook to sell to an underwriter 110,000 shares of capital stock, as reorganized, at 75¢ per share and in addition granted to the underwriter an option on an additional 55,000 shares at the same price.

Subsequent to the balance sheet date, the company has issued the aforementioned 165,000 shares in consideration of \$123,750.00 cash.

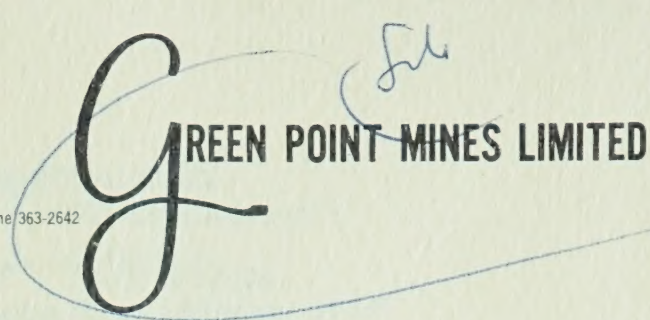


March 24, 1966



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President's Report to the Shareholders

The Annual Meeting of Shareholders has been called for Wednesday, June 26th, 1968, to be held in Toronto, Ontario at the time and place shown on the accompanying Notice of Meeting. Also enclosed is an Information Circular which you are urged to read carefully, and, for the benefit of those who may be unable to attend the meeting in person, a proxy form by which you may exercise your vote, returning it in the addressed envelope provided.

Last summer, following an announcement of a significant nickel-copper discovery by Scurry Rainbow Oil in the Lac La Ronge area of Saskatchewan, your Company acquired an interest in a 40-claim property located about four miles from the Scurry Rainbow Oil discovery group, by the performance of a diamond drilling program.

The drilling, which totalled 1,552 feet in four holes, intersected only minor amounts of copper and trace amounts of nickel and at that point further work was suspended while awaiting results of programs on other properties in the area. Later, Scurry Rainbow announced that the deposit outlined by its drilling was not of high enough grade to be economic at present.

In view of these conditions, no further work is planned at this time on the property in which your Company holds an interest.

Your Company has started a program of diamond drilling, along with detailed ground work, on a 16-claim property in the Sault Ste. Marie area of Northern Ontario. The property, a silver-base metals prospect, consists of 12 optioned claims and 4 contiguous claims staked for Company account. It is located in Township 3H, Range 1, about 40 airmiles northeast of Sault Ste. Marie.

The drilling is to consist of a minimum of 1,500 feet and has been recommended by the Company's mining consultant, K. H. Darke, P. Eng. The first hole was spotted to test one of four electromagnetic conductors outlined in a recently completed geophysical survey. The drilling is designed in part to evaluate two of the conductors that lie adjacent to and cut across two separate magnetic anomalies. A third electromagnetic zone lying a few hundred feet to the south of and at an angle to the shear zone previously explored is also to be tested by drilling.

The shear zone is also developed by an old exploratory shaft, but Mr. Darke points out in his report recommending the drill program:- "It is of particular significance to note that the main mineralized shear itself, the focal point for all previous work, was non-conductive."

With drilling now in progress, it is your Board's intention to keep Shareholders well informed of any significant developments that take place. Management feels that with silver in high demand at present this new property has considerable merit.

On behalf of the Board of Directors,

MURRAY COOPER,
President.

May 24th, 1968.

GREEN POINT MINES LIMITED
(Incorporated under the laws of Ontario)

BALANCE SHEET - DECEMBER 31, 1967
(with comparative figures at December 31, 1966)

ASSETS	<u>1967</u>	<u>1966</u>
Current assets		
Cash	\$ 3,382	\$ 4,773
Short-term deposit	5,000	40,000
Accrued interest receivable	<u>1,575</u>	<u>2,127</u>
	9,957	46,900
Investment in shares of another mining company, at nominal value (no market value)	1	1
Mining claims, rights and interest (notes 2, 3 and 4)	220,967	275,788
Oil participations, at cost	3,278	3,278
Deferred expenditures	<u>187,500</u>	<u>325,636</u>
	<u>\$ 421,703</u>	<u>\$ 651,603</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	<u>\$ 875</u>	<u>\$ 1,000</u>
SHAREHOLDERS' EQUITY		
Capital stock (notes 4 and 5)		
Authorized - 4,000,000 shares, par value \$1 each		
Issued - 1,639,002 shares	1,639,002	1,639,002
Deduct discount thereon	<u>1,264,612</u>	<u>1,264,612</u>
	374,390	374,390
Contributed surplus arising on reorganization	<u>551,049</u>	<u>551,049</u>
	925,439	925,439
Deficit	<u>504,611</u>	<u>274,836</u>
	<u>420,828</u>	<u>650,603</u>
	<u>\$ 421,703</u>	<u>\$ 651,603</u>

Approved on behalf of the Board

Murray Corp Director
h. o. c. e. Director

GREEN POINT MINES LIMITED

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1967

1. CHANGE IN ACCOUNTING PRACTICE

Administrative expenses for 1966 and prior were included in deferred expenses. In 1967 these expenses were transferred to deficit together with expenses for the year ended December 31, 1967. The 1966 figures have been regrouped accordingly.

2. MINING CLAIMS, RIGHTS AND INTEREST

Rouyn Township, Quebec, mining rights held under mining concession acquired for 200,000 shares of the company's capital stock (as reorganized) valued at \$60,000 less proceeds from disposals \$ 59,100

Pine Point Area, Northwest Territories, 27 claims acquired for 150,000 shares of the company's capital stock (as reorganized) valued at \$112,500 and \$27,000 cash 139,500

Bellows Lake Area, Saskatchewan, an approximately 18% interest in mineral claims acquired for exploration and development expenditures incurred by the company to December 31, 1967 in examining the property 22,367
\$220,967

3. AGREEMENT WITH PROVINCIAL MINING & DEVELOPMENT COMPANY LIMITED

Under the terms of a letter agreement dated June 20, 1967 between the company and Provincial Mining & Development Company Limited, the company agreed to provide up to \$25,000 to acquire an undivided 20% interest in Provincial's Bellows Lake property, Saskatchewan, at the rate of 1% for every \$1,250 advanced for exploration expenditures to December 31, 1967 the company has advanced \$22,367, being equal to an approximately 18% interest.

4. CAPITAL STOCK

Capital stock was issued as follows:

	<u>No. of shares and par value</u>	<u>Discount</u>	<u>Net</u>
Balance December 31, 1965	<u>\$1,324,002</u>	<u>\$1,185,862</u>	<u>\$138,140</u>
Issued during 1966			
For cash	165,000	41,250	123,750
For mining claims	<u>150,000</u>	<u>37,500</u>	<u>112,500</u>
	<u>315,000</u>	<u>78,750</u>	<u>236,250</u>
Balance December 31, 1966 and 1967	<u>\$1,639,002</u>	<u>\$1,264,612</u>	<u>\$374,390</u>

GREEN POINT MINES LIMITED
NOTES TO FINANCIAL STATEMENTS (continued)
YEAR ENDED DECEMBER 31, 1967

5. SUBSEQUENT EVENT

By agreement dated December 15, 1967, the company acquired an option to purchase 12 mining claims in the Sault Ste. Marie Mining Division, in consideration for the issue to the optionor of 10,000 shares of capital stock (now issued) valued at \$4,400.

Full exercise of the option requires an additional 140,000 shares of the capital stock of the company to be delivered within the specified times of the effective date of the agreement as follows:

30,000 shares within six months
30,000 shares within nine months
80,000 shares within twelve months

The effective date of the agreement was determined to be January 25, 1968.

6. OTHER STATUTORY INFORMATION

Direct remuneration of directors and senior officers was as follows:

Directors' fees	<u>\$675</u>
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AUDITORS' REPORT

To the Shareholders of
Green Point Mines Limited

We have examined the balance sheet of Green Point Mines Limited as at December 31, 1967 and the statements of deferred exploration and development expenditures, deficit, administrative expenses and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1967 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change in accounting practice explained in note 1, which change we approve.

Thorne, Gunn, Helliwell & Christensen